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9 June 1954

MEMORANDUM FOR MR. DULLES

SUBJECT: Revision of the NSC Planning Board Paper on US Security Export Control Policy dated 8 June 1954

- 1. A new paragraph 9 on page 6 introduces the problem for US security export control policy resulting from a separate Battle Act Embargo List. It is deemed necessary to confine the Battle Act Embargo List to those items on the International Embargo List in the interests of multilateral cooperation and action, and to avoid imposing unilateral US decision upon other countries. The difficulty for US policy, it is argued, is the maintenance of a double standard for export controls—one list comprising items which the US itself would deny the Elec and a considerably shorter Battle Act List that other countries are expected to embargo. A further widening of this disparity, according to the paper, would be increasingly difficult to defend.
- 2. The paper, in para. 10, page 6, takes the position that it will be necessary to await further developments in Indochina before a final decision on timing is made. The original paper simply raised the question as to the bearing of the Indochina situation on the relaxation of controls.
- 3. Three rather than two alternatives with regard to US export control policy towards the European Soviet Bloc are outlined under Alternatives, paras. 11-15. Subparagraphs a and c are those outlined in the original document; subparagraph b is an additional alternative and represents a compromise between a and c.
- 4. Faragraphs 13, 14, and 15 discuss the advantages and disadvantages of each of the three alternatives. Under Courses of Action in para. 16, the paper recommends that the first alternative be rejected and a choice made between the second and third alternatives. In regard to these two proposed alternatives, the conclusion presented to you in my memorandum of 3 June on this subject remains the same, i.e., in view of the anticipated COCOM action, the proposed reduction in the level of US export control would not make a significant contribution to the war potential of the Soviet Bloc although certain limited advantages would accrue to the Bloc as a result of this action.

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